

## **Durham Civic Center Authority Meeting Minutes**

Tuesday, September 19, 2006

8:00am

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The meeting was called to order at 8:00am with the following members present/absent:

Present: Rod Abraham, Patrick Byker, and George Stanziale, Angela Elkins and Rob VanDewoestine.

Absent: (excused) Josh Parker, Ed Stewart

Owner's representation: Sharon DeShazo and General Service's project manager Brian Conklin

Management Company present: Ken Lile, Yvonne Patton, and Dave Messinger

Motion of approval for August 15, 2006 minutes moved by Mr. Stanziale, seconded by Mr. VanDewoestine voted and agreed upon by all..

### **Executive Summary**

- The Carter-Burgess deferred Maintenance Study done in 2003 provided construction cost estimates for the Civic Center portion of the city infrastructure bond issue. HEERY's current analysis is showing much higher costs for the same items. This means that there is not enough money in the deferred maintenance bond to pay for many of the items identified by Carter-Burgess (i.e. carpet, floor tiles, etc.). The \$403K exhibit hall renovation, while funded separately from the deferred maintenance, was bundled into the deferred maintenance project management structure for efficiency of work. The reset on the deferred maintenance work means that the schedule for the exhibit hall work is affected in a way that is currently not known.
- The board will form a subcommittee to evaluate the BODR, and the prioritization decisions made in HEERY's recommendations. The board requested copies of the final BODR and CIP for this evaluation.
- Some Authority members shared Mr. Lile's concern that no aesthetic or architectural items were included in the recommended list of scope items. HVAC work and engineering is now forecast to take all the money budgeted for the entire set of repairs.
- Shaner continues to schedule events, with no "blackout" dates planned for construction in the 2007 calendar year. Ms. Patton stated she would need 18 months to two years booking horizon to avoid having to go back to booked customers to change their event. Given the uncertainty of when any construction will take place, bookings will proceed for all months and facilities until there is a construction schedule published.
- HEERY/EDI has not yet scheduled the next phasing meeting. General Services will convene a meeting between the City and the County to review the recommended scope.
- Mr. Stanziale made a suggestion to meet with City and County managers if schedules permit to discuss scope of work priorities and budget. The Authority will make a recommendation on work priorities to the owners once it has an understanding of item costs in the old and new estimates.

- Ms. Patton presented that total room rental and catering business on the books increased by \$323,120 in August. This means that 88.8% of FY 2006-07 business has been booked.
- Mr. Messinger showed August revenue \$37,297 better than budget, but almost all this gain was offset by spending \$36,590 over budget. In particular, August administrative and general direct expenses were over budget by more than a factor of two at \$16,345. Mr. Messinger will provide details associated with these expenses. September is forecast to net \$42,548 better than budget on very strong revenue. The total year net was forecast to be \$13,620 better than budget. A request was made to see deviations in percentages as well as dollars. The Authority recognized management team performance for their considerable improvement to results this year over last.
- A joint City/County Committee meeting is scheduled for October 10 at 9:00am in the County Commissioners Chambers, but the agenda does not include a Durham Civic Center Authority report.
- Ms. DeShazo, Mr. Lile and the banquet manager met to review update of Civic Center inventory and future purchases. Most expenditure for this fiscal year includes china, glass, linen and silverware.

#### **Other Items**

- Ms. Patton had no update to report on the branding logo design.
- The resolution formally passed for the branding proposal.
- Discussion of rules and regulations regarding attendance of Mr. Parker, County appointee. Mr. Parker has exceeded the 50% guideline for number absences.
- Due to the load of other projects on hand, [Mr. Abraham made a motion to postpone and not withdraw the application filed with the Fuqua business school for assistance in developing a multi-year business plan for the Durham Civic Center.](#) This was seconded by Mr. Byker and approved by a vote of 4 to 1.
- In an effort to reduce cost, Ms. Elkins made a suggestion to streamline amount of food and drinks provided at DCCA meetings. A fee is assessed to the owners for set-up and food.
- Business/Management Timeline for 2006/07 – completed and presently being reviewed by owners prior to distribution to Authority and Management Company.

#### **Agenda for next meeting**

- Further update on CIP and maintenance
- Review of prior year
- Management objectives